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IN THE

Supreme Court of the United States

OCTOBER TERM, 1995

EXXON CHEMICAL PATENTS, INC.,
EXXON CORPORATION, AND
EXXON RESEARCH AND ENGINEERING CO.,

Petitioners,

v.

LUBRIZOL CORPORATION,

Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

REPLY TO BRIEF IN OPPOSITION

Charles Alan Wright
727 East 26th Street
Austin, TX 78705
(512) 471-7188

E. Edward Bruce*
Robert A. Long, Jr.
John F. Duffy
COVINGTON & BURLING
1201 Pennsylvania Avenue, N.W.
P.O. Box 7566
Washington, DC 20044
(202) 662-6000

Counsel for Petitioners

* Counsel of Record

June 5, 1996

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REPLY TO BRIEF IN OPPOSITION

I. The Decision Below Undermines Thousands of Existing Patents.

Lubrizol repeatedly asserts that this case involves only the interpretation of "particular claim language" in "a single patent." *See* Opp. 1, 13, 19. But the claim format used by Exxon here is so ubiquitous that the patents issued in just *a single week* by the Patent and Trademark Office (PTO) provide dozens of *identical* examples of its use. *See, e.g.*, Pet. App. 85a-94a. Under this standard format, each claim covers a particular composition which is defined as "comprising" a list of specific ingredients, usually in specific amounts. The issue in this case — whether that list should be interpreted as ingredients entering into the composition — is fundamental to the meaning of all such patents.

Unable to deny that an "ingredients-list" format is used virtually every day in patent practice and accounts for "many thousands of existing patents" (Pet. App. 71a (Newman, J., dissenting on denial of *en banc* rehearing)), Lubrizol asserts that the panel majority below "explained" that Judge Newman's views as to the breadth of its ruling "had little relevance to the [Exxon] claims as they were actually drafted and prosecuted." Opp. 12. That is not true. The panel majority actually stated that Judge Newman's dissenting views "reduce themselves to a *'simple proposition*" -- that Exxon's claims are "drawn to a formula (or recipe) for making whatever product results from mixing the ingredients named in the formula." Pet. App. 70a. (emphasis added).

The panel majority's rejection of this "simple proposition" had nothing to do with the specifics of Exxon's drafting or prosecution of its patent. Instead, that proposition was rejected as being inapplicable in this case because "Exxon sued Lubrizol on a *chemical product claim*." *Id.* (emphasis added). Thus, in the words of the panel majority, "[t]o win, Exxon *had* to prove that Lubrizol's product contains, in the specific amount stated in the

patent, the chemicals named in Exxon's patented formula." *Id.* (emphasis added).

The "simple proposition" now established as the law of the Federal Circuit boils down to this: To prove infringement, holders of chemical composition patents drafted in the traditional ingredients format must now do more than show — as Exxon did here — that a competitor made "the identical composition . . . by combining the identical ingredients in the identical ratio" specified in the claims. Pet. App. 74a (Newman, J., dissenting). It is this "simple proposition," *not* the particular facts regarding Exxon's patent, which explains the concern expressed by the amici regarding the impact of the Federal Circuit's decision upon *all* composition of matter patents.

A. The Decision Below.

Just as in its decision on rehearing, the panel majority's original opinion repeatedly emphasized that Exxon's claims are product claims. *See* Pet. App. 6a ("The claims of the '890 patent are drawn to a particular composition: they are product claims."); *id.* at 7a ("Exxon's claims are drawn to a specific product which has particularly defined ingredients"); *id.* ("[n]othing . . . suggests that Exxon's claims are not drawn to a product that contains particular ingredients"); *id.* at 8a ("[the panel's] conclusion respects that which is claimed, namely a chemical composition"). This general proposition — not the lower court's brief discussion of the patent's specification and prosecution history — constitutes the fundamental rationale for its decision.

Indeed, this was the *only* point mentioned in Judge Plager's concurring opinion, *see* Pet. App. 21a ("The difficulty with [Exxon's] argument is that the claims, as the [majority] opinion well demonstrates, are unquestionably composition of matter claims"). It was also this aspect of the decision which prompted Judge Nies' concern "not merely [with] this case," but rather with the "rules for how compositions must be claimed" (Pet. App.

23a.), as well as Judge Newman's description of the decision as "gravely incorrect . . . . as a matter of law, . . . chemistry and . . . patent practice" (*id.* at 71a).

The specific points argued by Lubrizol do not narrow the decision.

1. "Containing": As Lubrizol points out (Opp. 7, 8, 9, 17) and as Exxon explained in its petition,[1] the lower court referred to Exxon's use of the word "containing" in the patent title and specification, which the lower court linked to the word "comprising." Pet. App. 2a ("comprising mean[s] *containing* at least" (emphasis added)). But "comprising" appears in *every* example of the "ingredients-list" patents that Exxon reproduced from the single week of PTO's *Official Gazette*.[2] *Id.* at 85a-94a. Furthermore, other "ingredients-list" examples, again drawn from that same week, also use the word "containing" in the title of the patent.[3]

2. Prosecution History: Lubrizol contends that the prosecution history of the Exxon patent "shows that Exxon succeeded in securing a patent . . . only when it abandoned its unsuccessful efforts to claim a 'recipe' and instead purported to demonstrate that the ingredients *when combined* had a . . .

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[1] *See* Pet. 14 n.8, noting that common usage confirms that "containing" commonly refers to ingredients used to make a product.

[2] "Comprising" is a "standardized word of the patent art," Robert C. Faber, *Landis on Mechanics of Patent Claim Drafting* 11 (3d ed. 1990), and is used in the vast majority of all patents.

[3] *See* 1181 Off. Gaz. Pat. Office 2556 (Dec. 26, 1995) (patent for "Positive-Working Naphthoquinone Diazide Sulfonic Acid Ester Photoresist Composition Containing 4,4'-Bis(Dialkylamino)Benzophenone"); *id.* at 2618 (patent for "Fluorine-Containing Copolymer and Composition Containing the Same").

'synergis[tic]' effect . . . ." Opp. 17-18. This theory of the prosecution history appears nowhere in the panel majority's analysis.[4] In any event, Lubrizol incorrectly alleges that Exxon "abandoned" its "efforts to claim a 'recipe'" for making the product from specified ingredients. Exxon distinguished a prior patent on the very ground that it used a different ingredient. (A.4166, 4190-91). Moreover, this allegation is flatly contradicted by the fact that Exxon used *exactly the same* standardized claim format throughout all of its prosecution of the patent. If that claim language constituted a "recipe" for making the product in the early years when Exxon was prosecuting its patent application, it surely had the same meaning when the patent was issued.

B. The Need for Precise Meaning in Claims.

As this Court noted in *Markman v. Westview Instruments, Inc.*, 116 S.Ct. 1384, 1388 (1996), patent claims "define the scope of a patent grant." Accordingly, they are required by statute to be definite; they must "'particularly poin[t] out and distinctly clai[m] the subject matter which the applicant regards as his invention.'" *Id.* (quoting 35 U.S.C. § 112). Any argument that identically drafted claims based on a standardized format can have entirely different meanings because of unique facts regarding the specification and prosecution history destroys the definiteness of the claims and robs the standardized format of its usefulness.

Thus, even if Lubrizol had won this case on the basis of the specific facts surrounding Exxon's patent, it would have succeeded in rendering uncertain that which was formerly clear. On

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[4] The panel majority did mention, without explanation, that Exxon stressed during the patent prosecution the "synergism" between the ingredients. Pet. App. 8a. If anything, the use of the word "synergism" supports Exxon's argument because it shows that Exxon and the PTO understood that the ingredients listed in Exxon's patent would not remain inert inside the composition, but were intended to interact together.

Lubrizol's own theory regarding the Federal Circuit's decision, it has undermined the stability of what Judge Newman described as "[m]any thousands of chemical patents [that] are written in the simple combinational style" used by Exxon. (Pet. App. 72a).

This point is substantiated by three separate amici who decry the way in which the Federal Circuit's decision threatens their composition of matter patents. P&G Br. 7-8, Pfizer Br. 8, PhRMA Br. 8-11. The Court should confirm Judge Newman's warnings, as well as Exxon's and the amici's arguments, by requesting the views of the Solicitor General, who in turn could report those of the PTO concerning the disruptive nature of the Federal Circuit's decision.

C. Lubrizol's Other Attempts to Avoid Certiorari Are Specious.

1. Lubrizol argues that Exxon could not have claimed its chemical composition product solely by identifying its ingredients, because "the separate ingredients, in their pre-combined states, were obviously not 'suitable as a crankcase lubricant.'" Opp. at 8. Lubrizol even contends that "the Court of Appeals *held* that this language told the public that the claims covered a finished, combined composition 'suitable' to be poured into an engine." *Id.* (emphasis added). These arguments cannot possibly be reconciled with the Federal Circuit's *rejection* of Lubrizol's construction of Exxon's patent as covering only a "finished" or "final" product suitable for use in an automobile engine. *See* pp. 7-8, *infra*.

2. Lubrizol's suggestion that certiorari is "inappropriate" because of the contents of Exxon's petition for rehearing (Opp. 19) is both unexplained and unjustifiable. The issue that Exxon raises here was the *first* issue raised and briefed by each side on appeal and, as reflected in the lengthy opinions below, it was fully considered both by the panel and by the full court in denying *en banc* rehearing.

3. Lubrizol argues that, "even if the Federal Circuit had adopted a broadly applicable rule," certiorari would "not be appropriate" because the Federal Circuit should be left to provide a "'*definitive adjudication* of selected categories of cases.'" Opp. 19 (quoting S. Rep. No. 275, 97th Cong., 1st Sess. 3 (1981); emphasis added by Lubrizol). But this Court has not abdicated its certiorari jurisdiction over the Federal Circuit.[5] Indeed, this case is quite similar to *Eli Lilly & Co. v. Medtronic, Inc.*, 496 U.S. 661 (1990), another patent case where Judge Newman dissented from *en banc* rehearing, 879 F.2d 849 (Fed. Cir. 1989), and where a number of amici filed briefs in support of certiorari, 493 U.S. 889 (1989). Moreover, in other cases from the Federal Circuit, the Court has requested the views of the Solicitor General before making a final disposition of a petition for certiorari. *See, e.g., Novopharm, Inc. v. Burroughs Wellcome Co.*, 115 S.Ct. 2554 (1995), *cert. denied*, 116 S.Ct. 771 (1996) (patent case); *Asgrow Seed Co. v. Winterboer*, 114 S.Ct. 50 (1993), *cert. granted*, 114 S.Ct. 1535 (1994), *decided* 115 S.Ct. 788 (1995) (patent-related case under Plant Variety Protection Act).

Relatedly, Lubrizol argues that the Court should wait and see whether Judge Newman, Exxon, and all of the amici are correct about the broad effects of the decision. *See* Opp. 19-20. That is *not* the approach the Court took in *Eli Lilly* or in *Asgrow Seed*, where dissents to *en banc* review stressed the importance of the ruling,[6] and it would not be appropriate here. Furthermore, the

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[5] *See, e.g., Warner-Jenkinson Co. v. Hilton Davis Chemical Co., cert. granted*, 116 S.Ct. 1014 (1996) (patent case); *Markman, supra*; *Hercules, Inc. v. United States*, 116 S.Ct. 981 (1996) (government contracting case); *Shalala v. Whitecotton*, 115 S.Ct. 1477 (1994) (causation issue under the Vaccine Injury Act); *Brown v. Gardner*, 115 S.Ct. 552 (1994) (veterans disability case); *Cardinal Chemical Co. v. Morton Int'l*, 508 U.S. 83 (1993) (patent case).

[6] In *Asgrow Seed* as in this case, Judge Newman filed a dissent to the denial of *en banc* rehearing stressing the importance of the case. *See* 989 F.2d 478, 479 (Fed. Cir. 1993).

PTO is *presently* confronted with the effects of the decision. It would be far better to seek the views of the Solicitor General (who could represent the PTO) now than to wait years for future cases caused by the disruption that will result from the decision below.

4. Lubrizol accuses Exxon of using a "cropped and incomplete quotation" (Opp. 14) from *Holland Furniture Co. v. Perkins Glue Co.*, 277 U.S. 245 (1928), in contending that Exxon incorrectly reads that decision as holding "that a composition patent *must* be claimed by reference to its starting ingredients . . . ." (Opp. 14). But Exxon's argument is, instead, that *Holland Furniture*, along with *all* of the treatises, clearly supports an ingredients-list as the standard format for claiming composition of matter patents (Pet. 11-13) — a point that Lubrizol does not contest. *See* Opp. at 15 ("[t]he Court [in *Holland Furniture*] appeared to recognize that the finished product claims could have described the specific starting ingredient . . . .")).[7] This "simple proposition" established in *Holland Furniture* — the very one that Judge Newman urged in her dissent — has now been flatly rejected by the Federal Circuit.

II. The Federal Circuit's Disregard of Rule 50 Merits Certiorari.

In its own words, the court of appeals adopted an interpretation of Exxon's patent claims that was "broader" than Lubrizol's. Pet. App. 9a; *see also id.* at 9a, 17a n.6 (Lubrizol's interpretation was "too narrow" and "less generous to Exxon" than the lower court's). While Lubrizol's interpretation looked only to the final product, the court of appeals asked whether the specified ingredients were present in the specified amounts "*at any time*" in the finished product *or* during the manufacturing process. Pet.

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[7] *See also* Opp. at 14: "[I]t is certainly true, as petitioners and Judge Newman say, that chemical compositions *may* be claimed by their starting ingredients . . . ."

App. 9a (emphasis added). Lubrizol's attempt (Opp. 22), like that of the panel majority on rehearing (*see* Pet. App. 71a; *see also* Pet. 10, n.4), to minimize the difference between Lubrizol's and the lower court's claim construction ignores the narrow grounds upon which Lubrizol prevailed in this case — *i.e.*, that Exxon had not proved that "ashless dispersant" was in the composition in the amounts specified in the patent. Pet. App. 15a.

Had Exxon known at trial that the amount of ashless dispersant in the composition as it was being prepared was decisive, it would have pursued a different approach to proving infringement. Specifically, Exxon would have shown that in the early stages of the manufacturing process Lubrizol began to add small amounts of the zinc compound (ZDDP) which were insufficient to "complex" (or react) with all of the ashless dispersant, so that the required amount of ashless dispersant existed in the composition at that point. Until the Federal Circuit's decision, Exxon had no reason to put on evidence relating to Lubrizol's rate of mixing ingredients and the related amounts of ashless dispersant in the composition during the mixing process.

Even though Lubrizol concedes that *Boyle v. United Technologies Corp.*, 487 U.S. 500 (1988), addressed only a Seventh Amendment argument (Opp. 24), Lubrizol attempts to salvage something from that opinion by contending that the requirements of the Seventh Amendment and Rule 50 are coextensive. But the Seventh Amendment guarantees a right to jury trial, while the aspect of Rule 50 at issue here deals with notice: JMOL may be granted only if a party has "specif[ied] . . . the law and the facts on which [it] is entitled to the judgment" before the case is submitted to the jury. Rule 50(a)(2). The purpose of this requirement is to give the nonmoving party an opportunity to cure any deficiency in its proof. Advisory Comm. Notes to 1991 Amendments.

Finally, Lubrizol has not reconciled the decision below with those of other circuits. Opp. 25. Other courts of appeals have

recognized that, "[f]or the same reasons [that] a party may not seek a [JMOL] on grounds not alleged in their motion for directed verdict," a court "may not enter a [JMOL] *on grounds not asserted* in a party's motion for directed verdict." *Murphy v. City of Long Beach*, 914 F.2d 183, 186 (9th Cir. 1990) (citing *Kutner Buick, Inc. v. American Motors Corp.*, 868 F.2d 614, 617 (3d Cir. 1989)) (emphasis added). These cases do not merely hold that a court cannot grant JMOL on one claim when the party sought JMOL on another. Opp. 25. The courts' language (no JMOL "on grounds not asserted") and rationale (preservation of the opportunity to cure defects in proof) admits of no such limitation. In *Kutner*, moreover, the moving party sought JMOL "on all counts," but the court of appeals held that JMOL was improper because "[t]he sufficiency of proof of damages was not advanced as a ground" for JMOL. 868 F.2d at 617.[8]

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[8] *Neely v. Martin K. Eby Construction Co.*, 386 U.S. 317, 324 (1967), gains nothing for Lubrizol. (Opp. 1-22). That case merely established that courts of appeals have the power to order entry of JMOL "in appropriate cases." *Neely* did not hold that a court of appeals may direct entry of JMOL on grounds not advanced by the party at trial. To the contrary, the Court noted that an appellate court "may not enter [JMOL] where the verdict loser has failed strictly to comply with [Rule 50(b)] . . . ." 386 U.S. at 325.

CONCLUSION

For the reasons stated herein, as well as in the petition, this Court should grant a writ of certiorari to review the Federal Circuit's decision in this case.

Respectfully submitted,

Charles Alan Wright
727 East 26th Street
Austin, TX 78705
(512) 471-7188

E. Edward Bruce*
Robert A. Long, Jr.
John F. Duffy
COVINGTON & BURLING
1201 Pennsylvania Ave., N.W.
P. O. Box 7566
Washington, DC 20044-7566
(202) 662-6000

Attorneys for Petitioners

*Counsel of Record

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